

EXHIBIT 11

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**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Petition of the Verizon Telephone Companies)	WC Docket No. 08-49
for Forbearance Pursuant to)	
47 U.S.C. § 160(c) in Cox's Service Territory in)	
Virginia Beach Metropolitan Statistical Area)	

DECLARATION OF JIM VERMEULEN

1. My name is Jim Vermeulen. I am Vice President of Engineering for the operating subsidiaries of Cavalier Telephone Corporation ("Cavalier"). My business address is 2134 West Laburnum Avenue, Richmond, Virginia 23227. I have worked for Cavalier for over six years. As Vice President of Engineering, I am responsible for overseeing the design and implementation of Cavalier's networks, and the engineering personnel who establish and maintain those networks. Before joining Cavalier, I worked for approximately four years as director of operations and engineering for Conectiv Communications Inc., which offered voice and data services in Delaware, Maryland, and New Jersey; and, before that, spent five years as a project manager for U.S. West Communications, Federal Services in Richland, Washington and Denver, Colorado. I have factual knowledge relating to the information described in this Declaration.

2. Cavalier currently obtains unbundled network elements ("UNEs") from Verizon, including unbundled transport and unbundled loops as well as Inter Office Fiber Transport, that we use in conjunction with our own facilities and equipment to deliver circuit-switched voice services, voice over Internet protocol ("VoIP"), digital subscriber line ("DSL") and other data services, and Internet protocol television ("IPTV") service. If there were any other alternatives

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to Verizon, we would vigorously pursue such an option, because Verizon makes every aspect of ordering, provisioning, billing, and payment of UNEs so extraordinarily difficult and cumbersome, apparently by design. Unfortunately, Verizon UNEs are the only way we have to reach customers.

3. Cavalier provides all four services in Virginia Beach (circuit-switched voice services, VoIP, DSL, and IPTV). We deliver all of our voice and data services, and our IPTV service, over unbundled copper loops obtained from Verizon. In order to optimize network costs, Cavalier has deployed Time-division Multiplexing ("TDM") and IP backbone facilities to transport traffic between fifteen switching centers. The backbone network includes segments of UNE Inter Office Fiber Transport which serves as primary and/or diverse connectivity.

4. Cavalier serves approximately **[Begin Highly Confidential]** **[End Highly Confidential]** residential customers with about approximately **[Begin Highly Confidential]** **[End Highly Confidential]** lines; and about approximately **[Begin Highly Confidential]** **[End Highly Confidential]** business customers over approximately **[Begin Highly Confidential]** **[End Highly Confidential]** lines.

Cavalier has company-wide approximately **[Begin Highly Confidential]** **[End Highly Confidential]** route miles related to our built network **[Begin Highly Confidential]**

[End Highly Confidential]. We have another approximately **[Begin Highly Confidential]** **[End Highly Confidential]** route miles of Verizon UNE dark fiber **[Begin Highly Confidential]** **[End Highly Confidential]**.

Cavalier has built out extensive fiber and facilities in Virginia Beach, as evidenced by the attached map, attached as Exhibit A.

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5. As I indicated above, we serve those customers over unbundled loops and transport. If Verizon succeeds in withdrawing unbundled loops and transport in the Cox service areas of Virginia Beach, then Cavalier will have no substitute. To my knowledge, Verizon does not have a special access wholesale offering that could reasonably substitute for unbundled copper loops. Although Verizon offers voice-grade loops as a special access service, it is at a much higher price than unbundled copper loops, and it is voice-grade only, meaning that Cavalier could not provide DSL, VoIP, or IPTV services the same way that it does with UNE loops.

6. For higher-capacity services, Verizon does offer other special access services, including DS1 and DS3 loops, that could technically support provision by Cavalier of its package of voice, Internet, and IPTV services. However, providing those services over special access facilities is not economically viable, because Verizon's pricing of these special access services would require Cavalier to charge much higher consumers prices, which would destroy Cavalier's ability to compete in the retail marketplace.

7. I am also aware of Verizon's "Wholesale Advantage" offerings, which are the "substitute" services that Verizon has offered to its competitors in place of unbundled network elements that have been made unavailable by recent FCC decisions. To the best of my knowledge, Verizon currently offers unbundled loops under Wholesale Advantage contracts only as a component of a bundled, resale-like local exchange service. Based on what I know, even if Verizon made unbundled copper loop facilities available under "commercial" terms similar to these offerings, it is my understanding that Verizon would impose a surcharge that would price

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such loops substantially above the current UNE prices. Again, passing such increased costs along to consumers simply would not work.¹

8. As a result, to the best of my knowledge, there is no commercially available wholesale alternative to Verizon's loop facilities in Virginia Beach for the type of mass-market (residential and small business) customer that Cavalier serves. The only entity other than Verizon that even has facilities in existence that might conceivably provide access to mass-market subscribers in any significant portion in Virginia Beach is Cox Communications ("Cox"), and Cox has never offered competitors wholesale access to mass-market, last-mile facilities in the Virginia Beach market.

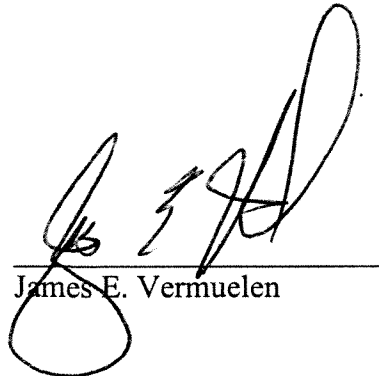
9. I conclude that there is not currently any commercially reasonable offering of wholesale loop facilities, either from Verizon or any other provider, that could serve as a workable substitute for unbundled copper loops.

10. Having gone through the exercise of finding replacements for Verizon dark fiber that became unavailable after the FCC issued its Triennial Review Order on Remand, I can also conclude that there is no commercially available offering of wholesale local transport that can replace the dark fiber and other local transport that Cavalier currently relies upon to link together portions of its network. Indeed, it is my belief that eliminating UNE loops will diminish the Cavalier network footprint nationwide such that numerous customers would have to be terminated, and, in the remaining areas where we could retain connectivity using our own fiber, the level of redundancy would likely be compromised, resulting in notably less reliable service.

¹ Verizon has advanced no contentions, no evidence, and not even any vague reassurances about post-forbearance rates, terms, and conditions for any potential substitutes for unbundled loops and transport currently provided under § 251(c). For example, in response to Cavalier's September 21, 2006 inquiry about draft commercial agreements in a post forbearance context, Verizon responded that "[w]e have no draft agreements" and no "additional information." See September 21, 2006 exchange of e-mails, copy attached as Exhibit B.

I declare under penalty of perjury under the laws of the United States of America
that the foregoing is true and correct.

Executed May 9, 2008.



James E. Vermuelen

EXHIBIT A

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Perkins, Stephen

From: Clift, Marty
Sent: Thursday, September 21, 2006 5:15 PM
To: 'thomas.caldwell@verizon.com'
Subject: RE: Request for Agreement

I appreciate your prompt response and candor.

From: thomas.caldwell@verizon.com [mailto:thomas.caldwell@verizon.com]
Sent: Thursday, September 21, 2006 5:13 PM
To: Clift, Marty
Subject: Re: Request for Agreement

Marty
I want to acknowledge your note although I do not have any additional information.
Tom

----- Original Message -----
From: "Clift, Marty" [mwclift@cavtel.com]
Sent: 09/21/2006 12:00 PM
To: Thomas Caldwell
Subject: RE: Request for Agreement

I am not trying to be trite, but how can we objectively review those petitions, when we have no idea of what happens post forbearance?

From: thomas.caldwell@verizon.com [mailto:thomas.caldwell@verizon.com]
Sent: Thursday, September 21, 2006 11:56 AM
To: Clift, Marty
Subject: Re: Request for Agreement

Marty
We do not have draft agreements.
Tom

----- Original Message -----
From: "Clift, Marty" [mwclift@cavtel.com]
Sent: 09/21/2006 11:08 AM
To: Thomas Caldwell
Subject: Request for Agreement

With respect to Verizon's Forbearance Petitions, would you please provide a copy of the planned commercial agreement, that Verizon plans to introduce if those forbearance petitions are granted?

Second, on July 24, Verizon served notice to the FCC of a planned copper retirement in Christiansburg, Virginia. Based upon our previous conversations, the continued availability of cooper loops is of critical importance to us, and thus the Christiansburg Notice caught our attention. While Cavalier does not service Christiansburg, we do have some questions about this notice, process, and future notices. I have placed two calls to Rose Clayton, the person instructed to call on the notice, but Rose has not called me back. If Rose is unavailable, would you please have someone call me who may be familiar with this activity.

Thank you.

3/5/2007

Marty
804-422-4515

3/5/2007